

**IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH CAROLINA  
COLUMBIA DIVISION**

Nautilus Insurance Company,	)	Civ. No. 2:22-cv-1307-RMG
	)	
Petitioner,	)	
	)	
v.	)	<b>DEFENDANT RICHARD</b>
	)	<b>ALEXANDER MURDAUGH, SR.’S</b>
	)	<b>RESPONSE IN SUPPORT OF</b>
Richard Alexander Murdaugh, Sr., Cory	)	<b>PLAINTIFF’S MOTION</b>
Flemming, Moss & Kuhn, P.A., Chad	)	<b>CHALLENGING STANDING OF CO-</b>
Westendorf, and Palmetto State	)	<b>RECEIVERS AND ITS COUNSEL</b>
Bank	)	<b>TO APPEAR, PLEAD, OR RESPOND</b>
	)	<b>TO DISCOVERY</b>
Defendants.	)	
_____	)	

Plaintiff Richard Alexander Murdaugh, Sr., through his undersigned attorneys, hereby responds in support of Defendant Nautilus Insurance Company’s motion challenging the standing of co-receivers John T. Lay and Peter McCoy and their counsel Amy Hill to appear in this action on behalf of Mr. Murdaugh.

Plaintiff correctly notes the Court has already ruled the Receivership Order only provides authority for the Co-Receivers to defend *in rem* actions relating to Mr. Murdaugh’s assets and not to defend *in personam* actions against Mr. Murdaugh himself. Mr. Murdaugh agrees with and adopts the arguments under the first point heading of the argument section of Plaintiff’s motion challenging the Co-Receivers’ authority to represent him. ECF No. 83.

Additionally, assuming *arguendo* without conceding that the appointment of the Co-Receivers was proper, they are interested parties insofar as they have an interest in ensuring Mr. Murdaugh does not use these proceedings to prefer one creditor over another or somehow dissipate the Receivership Estate. They may protect that interest by making appropriate motions as interested parties. But they cannot act for Mr. Murdaugh personally. Mr. Murdaugh is a competent adult not under any conservatorship. The Court of Common Pleas did not appoint the co-receivers

as conservators, had no authority to do so, and to the extent its order appointing the Co-Receivers seems to create a conservatorship, it is void *ab initio*. In South Carolina, only the probate court can appoint a conservator for an adult. *See* S.C. Code § 62-5-403 *et seq.*

Mr. Murdaugh cannot defend this action at this time because he is temporarily unavailable. His murder trial is only about 40 business days away. Again, Mr. Murdaugh urges the Court to grant a short, reasonable stay as to Mr. Murdaugh so he may participate in these proceedings after defending the murder charges to be tried in January. *See* ECF Nos. 87 & 88. The purpose of these judicial proceedings is to discover the truth of Plaintiff's claims. *See Johnston v. Harris Cnty. Flood Control Dist.*, 869 F.2d 1565, 1578 (5th Cir. 1989) ("The goal of grand jury proceedings, of criminal trials, and of civil trials is to resolve a dispute by gathering the facts and arriving at the truth . . . ."). Forcing Mr. Murdaugh into a silent default will impede that purpose without achieving anything. It will not expedite this litigation. Mr. Murdaugh's participation, not his exclusion, will expedite the ultimate resolution of this case.

If the Court nevertheless decides not to grant a short stay and Mr. Murdaugh consequentially is unable to participate in these proceedings, the proper response to his lack of participation would be entry of a default. Fed. R. Civ. P. 55. The Court should not instead allow a receiver appointed on the motion of the plaintiff in an unrelated state-court tort suit to act as a guardian *ad litem* in this case, representing a competent adult against his will and *in absentia*.

Respectfully submitted,

s/Phillip D. Barber

Richard A. Harpootlian (Fed. ID No. 1730)

Phillip D. Barber (Fed. ID No.12816)

RICHARD A. HARPOOTLIAN, P.A.

1410 Laurel Street (29201)

Post Office Box 1090

Columbia, SC 29201

(803) 252-4848

(803) 252-4810 (facsimile)  
rah@harpootlianlaw.com  
pdb@harpootlianlaw.com

James M. Griffin, Fed. ID No. 1053  
Margaret N. Fox, Fed. ID No. 10576  
GRIFFIN DAVIS, LLC  
4408 Forest Dr., Suite 300 (29206)  
P.O. Box 999 (29202)  
Columbia, South Carolina  
(803) 744-0800  
jgriffin@griffindavislaw.com  
mfox@griffindavislaw.com

ATTORNEYS FOR PLAINTIFF

November 17, 2022  
Columbia, South Carolina